

VZCZCXYZ0000
OO RUEHWEB

DE RUEHUL #1581/01 2240740
ZNY CCCCC ZZH
O 110740Z AUG 08
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1203
INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4627
RUEHMO/AMEMBASSY MOSCOW PRIORITY 8901
RUEHKO/AMEMBASSY TOKYO PRIORITY 4753
RHMFISS/COMUSKOREA J5 SEOUL KOR PRIORITY
RUACAAA/COMUSKOREA INTEL SEOUL KOR PRIORITY
RHMFISS/COMUSFK SEOUL KOR PRIORITY
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SEOUL 001581

SIPDIS

E.O. 12958: DECL: 08/01/2018
TAGS: [PGOV](#) [PREL](#) [EAID](#) [KS](#) [KN](#)
SUBJECT: BLUE HOUSE OFFICIAL HOPEFUL OF IMPROVED ROK-DPRK
RELATIONS--NEXT YEAR

Classified By: POL M/C Joseph Yun. Reasons 1.4(b/d)

¶1. (C) Assistant Secretary to the President for Unification Yu Joon-ha (protect) told poloff August 7 that the Lee administration is committed to improved ties with the DPRK, but does not expect any movement until next year. The ROKG is determined to establish reciprocity as part of the ROK-DPRK relationship, which will take time for the DPRK to accept. Due to the ROK suspension of fertilizer assistance this year, the DPRK food situation will be much worse next year. The ROK will provide assistance when requested because there is a broad consensus in the government that humanitarian assistance to the DPRK is in the ROK's long-term interest. First on the list of humanitarian priorities is direct food assistance followed by increased flows of information, resolution of POW/MIA issues, and restarting family reunions. The government, Yu said, is depending on Hyundai Asan to broker a resolution to the Mt. Kungang dispute, made more difficult by new and inexperienced DPRK functionaries handling the case. End Summary.

Improved ROK-DPRK Relations -- Next Year

¶2. (C) Assistant Secretary to the President for Unification Yu Joon-ha (protect) told poloff in an August 7 meeting that the Lee administration is hopeful of improved ties with the DPRK, but expects that it will be next year before there is any visible progress. According to Yu, the Lee administration's insistence on making reciprocity the basis of ROK-DPRK relations will take time for the DPRK to accept. On the other hand, the worsening food crisis will create a new willingness on both sides for cooperation.

¶3. (C) After ten years of a more accommodating ROK policy, the Lee administration and DPRK are currently engaged in a strategic tug of war to establish new terms for the relationship, Yu said. The Lee administration is determined that the principle of reciprocity should be part of the relationship and will not give ground on that point. Once the principle is established, Yu said the administration is hopeful of constructive engagement with the DPRK.

¶4. (C) The worsening food shortage will inject more urgency into ROK-DPRK cooperation efforts. Yu said the food-shortage situation in North Korea is not critical this year. But, due to the ROK's suspension of fertilizer assistance this year, he expects the food shortage to be much worse next year, possibly prompting the DPRK to become more amenable to dialogue with the ROK.

Humanitarian Aid on ROK Terms

15. (C) The Lee administration's tougher image notwithstanding, Yu said there is a broad consensus across multiple elements of the ROKG that the ROK must engage the DPRK and that humanitarian assistance is important to the ROK's long-term interests. Yu equated food assistance to North Korean children with a contribution to the health of future citizens of a unified Korea--a remote possibility, but one that the ROK must be prepared for nonetheless, he added. Yu also speculated that continued food assistance from the ROK, over time, would bring about more positive perceptions of the outside world among DPRK aid recipients to the extent that they know who provided the aid. He clarified, however, that no matter how dire the need, the ROK cannot provide assistance until the DPRK accepts the Lee administration's new terms of engagement.

16. (C) Yu listed direct food assistance as the top humanitarian priority. He put finding effective ways of getting more information into North Korea about the outside world as the second priority followed by resolution of POW/MIA issues and restarting family reunions. He did not include North Korean refugees on the list of priorities. Asked about the omission, Yu said that the refugee issue was too closely entwined with the ROK's complicated relationship with China to resolve alone. Instead, to deal with this issue the ROK needed to rely on UNHCR and other like-minded countries such as the United States.

Outsourcing Mt. Kumgang Negotiations

17. (C) Yu said the ROKG was depending on Hyundai Asan, the South Korean developer of the Mt. Kumgang tourist facilities, to act as an intermediary with the DPRK to resolve the Mt. Kumgang shooting incident. Because the ROKG currently had no open line of communication with the DPRK, and because the DPRK appeared determined to reject direct cooperation with the ROK, Yu said the government had no choice but to rely on a third party to explore a compromise. Yu said the Lee administration was willing to soften its demand for a joint investigation of the incident but that the DPRK had further to go in finding a compromise by abandoning its call for an ROK apology for the incident.

18. (C) Regarding the Mt. Kumgang incident, Yu said the diplomatic and political problems were made worse by new and inexperienced military hardliners in charge of the DPRK committee that handled the matter. (Yu noted at this point that new functionaries moved into position at some point over the past year.) According to Yu, more experienced DPRK functionaries would have disposed of the victim's body and never admitted to the shooting--in Yu's opinion, making the matter easier to resolve from the DPRK perspective. But the less-experienced handlers made the issue more difficult for the North Korean side to resolve by producing the body and conceding the basic facts of the killing.

Comment

19. (C) For everyone in the LMB administration involved in North Korea policy, these are very frustrating times. The Ministry of Unification (MOU), previously a hive of activity dealing with the day-to-day management of North-South projects, is now a quiet office complex, reduced mostly to analyzing the latest broadcasts from Pyongyang lambasting the ROK's policy. Within the ROKG, opinions are broadly divided between the career bureaucrats in MOU and the Blue House who want to see a kick-start to engaging the North and the political appointees who believe that the North must accept at least some of the South's terms. As the wait gets longer--and as the North Koreans become even more critical of

the South--the ROKG will show more "flexibility". For now, however, the ROKG is not quite there, mostly because the South Korean public supports President Lee's tougher policy toward the North.

VERSHBOW